

General Information Letter: Response to taxpayer inquiry regarding use of Social Security Number under Federal Privacy Act of 1974.

March 30, 1998

Dear:

This is in response to your letter dated March 11, 1998, in which you request a letter ruling. Department of Revenue ("Department") regulations require that the Department issue only two types of letter rulings, Private Letter Rulings ("PLRs") and General Information Letters ("GILs"). PLRs are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. a PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. GILs do not constitute statements of agency policy that apply, interpret or prescribe the tax laws and are not binding on the Department. For your general information we have enclosed a copy of 2 Ill. Adm. Code Part 1200 regarding rulings and other information issued by the Department.

Although you have not specifically requested either type of ruling, the nature of your question and the information provided require that we respond with a general information letter.

In your letter you have stated the following:

The State of Illinois income tax forms request that I disclose my social security number. Under the provisions of Public Law 93-579, Section 7(b), please let me know the following:

1. If this disclosure is mandatory or voluntary,
2. By what statutory or other authority my social security number is solicited, and
3. What uses will be made of my social security number.

Section 7 of the Federal Privacy Act of 1974 provides as follows:

Any Federal, state or local government agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, and what uses will be made of it.

Under Section 1406(a)(1) of the Illinois Income Tax Act, every taxpayer is required to include an identification number on his or her tax return or any document submitted to the Department.

The Social Security Act, 42 USC 405 (c)(2)(C)(i) and (ii) provides as follows:

(i) It is the policy of the United States that any State (or political subdivision thereof) may, in the administration of any tax, general public assistance, driver's license, or motor vehicle registration law within its jurisdiction, utilize the social security account numbers issued by the Secretary for the purpose of establishing the identification of individuals affected by such and may require any individual who is or appears to be so affected to furnish to such State (or political subdivision thereof) or any agency thereof having administrative responsibility for the law involved, the social security account number (or numbers, if he has more than one such number) issued to him by the Secretary.

(ii) If and to the extent that any provision of Federal law heretofore enacted is inconsistent with the policy set forth in clause (i) of this subparagraph, such provisions shall, on and after October 4, 1976, be null, void, and of no effect.

As is evident from the above, the Social Security Act establishes federal authority by which this Department may use social security numbers as the identification numbers required by the Illinois Income Tax Act.

The General Instructions of the IL-1040 booklet furnished by the Department to taxpayers provides the disclosure statement required by the Privacy Act of 1974 by informing the taxpayer that his or her social security number and pertinent tax information may be provided to other state agencies for the purpose of verifying sources and amounts of income as authorized by the Illinois Income Tax Act.

As stated above, this is a GIL which does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you wish to obtain a PLR which will bind the Department with respect to the application of the law to specific facts, please submit a request conforming to the requirements of 2 ILL. Adm. Code Part 1200. Please note, however, that a PLR cannot apply the law to a hypothetical situation and a PLR is not binding with respect to a statement of facts which is incomplete or incorrect.

Sincerely,

Kerri Doll
Staff Attorney (Income Tax)